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Budget plan embodies principles of Simpson-Bowles recommendations

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WASHINGTON – Congressman Charles F. Bass (NH-02) is sponsoring a bipartisan alternative budget plan that will reduce the deficit by more than \$4 trillion over the next 10 years by cutting spending and generating revenue through closing tax loopholes.

The alternative plan is endorsed by the chairmen of the President's National Commission on Fiscal Responsibility and Reform, former Republican Senator Alan Simpson and former Clinton Chief of Staff Erskine Bowles, as well as the Committee for a Responsible Federal Budget. Reps. Jim Cooper (D-TN-05), Steven LaTourette (R-OH-14), Tom Reed (R-NY-29), Kurt Schrader (D-OR-05), and Mike Quigley (D-IL-05) are sponsoring the alternative budget plan with Bass.

Bass said:

"The American people want Members of Congress on both sides of the aisle to work together when it comes to solving problems like crafting a responsible budget that reduces the deficit and gets our economy back on track. This plan reflects that spirit of bipartisanship and moves the national conversation forward about solving our crippling debts and deficits.

"I didn't come back to Congress to sit on the sidelines and avoid making tough decisions. The American people deserve better than constant bickering and partisanship when it comes to how Washington spends taxpayers' money, and I will continue seeking bipartisan solutions to reduce the deficit, simplify our tax code, and preserve programs like Medicare and Social Security. Our children and grandchildren deserve nothing less from this Congress."

Specifically, the budget alternative Bass and his colleagues are sponsoring provides a bipartisan blueprint for the committees of jurisdiction to draft specific policies to achieve savings targets, based on the general principles outlined in the Simpson-Bowles report:

Tax Reform:

- Includes comprehensive tax reform to promote growth, simplify the tax code, reduce marginal tax rates across the board, and reduce the deficit by \$1 trillion through 2021.
- Reduces the \$1.1 trillion in annual tax expenditures and tax breaks.
- Reduces tax rates for individuals, small businesses, and corporations.

Health Care:

- Achieves savings of \$485 billion through 2021 based on the principles and framework in the Simpson-Bowles report to pay for a permanent sustainable growth rate (SGR) fix and reduce costs over the next decade.
- Limits long-term growth for federal health care spending at GDP plus one percent, requiring additional reforms if the policies in this resolution and other reforms fail to keep spending below

targets.

- Acknowledges the Medicare Trustees' report that the program will be bankrupt by 2024 and calls for bipartisan reform to ensure long-term solvency.

Discretionary Spending:

- Sets total discretionary spending for Fiscal Year 2013 at \$1.043 trillion and limits growth to one percent below inflation after 2013, for total savings of \$625 billion beyond the caps set in the Budget Control Act.
- Divides additional savings proportionally between domestic and defense spending.

Other Provisions:

- Instructs committees to find approximately \$300 billion in savings from other mandatory programs such as agriculture and federal retirement.
- Encourages bipartisan cooperation to enact a plan to strengthen Social Security and put it on a fiscally sustainable path based on the principles and framework outlined in the Simpson-Bowles report.
- Fully repeals sequester and replaces it with a comprehensive fiscal plan.
- Includes strong enforcement mechanisms to enforce spending cuts and ensure the federal budget remains on a path to stabilize and reduce debt as a percentage of GDP.

Bass was one of 99 Members in the so-called "Go Big" Coalition last fall that pushed the Joint Select Committee on Deficit Reduction to keep all options for spending cuts and revenues on the table during consideration of a deficit reduction plan.

The budget resolution is expected to be considered on the House floor later this week.

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